



March 4, 2011

Dear Friend,

It has been a privilege and honor to serve you over the past three years. This month marks my third anniversary as Assistant Secretary for Washington State Ferries and it has been one incredible journey. I have appreciated the challenges that come with operating the largest ferry system in the United States. Together we have made significant progress on some very important fronts, including:

- Budget – improving fiscal control; reducing overhead, operating and maintenance costs
- Operations – creatively deploying the fleet; improving reliability, safety, security and environmental performance
- New vessel construction – building three new vessels on time and on budget
- Customers and communities – listening to you at well over 150 meetings in the past three years
- Planning – developed a fundamentally different long-range strategy by planning to make the best use of our current assets through adaptive management instead of trying to build capacity to meet peak demand
- Accountability – inviting peer review, improving performance data for legislators

However, we have more work to do. The ferry system has lost ridership steadily since 1999. Our core ridership of commuter customers has declined due to a combination of factors including the availability and popularity of telecommuting, the aging demographics of west side residents, and substantial fare increases over the last ten years.

As a result of this decline in commuter customers, the ferry system is becoming increasingly dependent on the discretionary traveler to grow ridership and increase revenue. An important part in increasing discretionary riders is with superior customer service. WSF is in the customer service business and the better our customers feel about our service the more likely they are to use us and to recommend riding the ferry to friends and neighbors.

This is why providing unsurpassed customer service is as important to WSF as providing reliable and on-time service. So I am placing renewed emphasis on customer service that is reflected in our new vision and mission for the organization and our renewed commitment to service.

Vision: Be the best ferry system in the world, providing unparalleled ferry service and customer care while continuously striving to improve performance.

Mission: Provide safe, reliable ferry service and exceptional customer service both on and off the water, through the work of our respected and valued employees.

Our Commitment to Service

- To Our Customers: We will provide an excellent customer experience including safe and reliable travel, timely communication, convenient and accessible travel information, and outstanding customer service at all levels of the organization.

- To Our Employees: We will be a great place to work where every employee is a valued member of the team supported with tools and resources to be successful.
- To Ferry-served Communities: We will foster open and collaborative partnerships with the communities we serve to advance mutually beneficial opportunities.
- To Washington State Taxpayers: We will run efficient and transparent operations that maximize public benefits and maintain an essential component of the state highway system.

These are not changes that will be felt overnight, but a shift in organizational culture that I hope will take root during the next year.

As many of you have heard me say time and again, the biggest challenge facing WSF is sustainable funding, especially to support building new vessels, and to replace funding lost by Initiative 695. We need partnerships with elected officials, customers, labor and taxpayers to help us move forward with a sustainable funding strategy and build ridership. The Governor's press conference today on our movement forward with labor is a clear example of a successful partnership in this regard. I know when we work together, we find solutions.

Sincerely,

David Moseley